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Thomas J. Christofk, Air Pollution Control Officer

MEMORANDUM

TO: Board of Directors, Placer County Air Pollution Control District

FROM: Todd K. Nishikawa, Manager, Compliance and Enforcement

AGENDA DATE: August 10, 2006

SUBJECT: Adoption of Resolution #06-12, The Declaration of No Sources to Regulate

for Nitrogen Oxides (NOx) in Specific Rule Categories (Public

Hearing/Action)

Action Requested:

1) Conduct a Public Hearing regarding Resolution #06-12, certifying that there are "No Sources to Regulate" in the following five (5) categories of Major Stationary NOx Sources (Note: This action affirms Negative Declarations for these categories made in 1997):

- a. Utility Boilers
- b. Cement Kilns
- c. Glass Treatment
- d. Iron and Steel Manufacturing
- e. Nitric and Adipic Acid Manufacturing
- 2) Adopt Resolution #06-12, a Negative Declaration certifying that there are "No Sources to Regulate" in Placer County in five (5) source categories where it has been determined that no Major Stationary NOx Sources exist in the categories, above.

Background:

The 1990 Federal Clean Air Act Amendments (FCAA) requires the District to adopt Reasonably Available Control Technology (RACT) prohibitory rules for existing Major Sources of VOC. This is to reduce emissions of these pollutants, thereby reducing ozone formation which will help achieve federal and state air quality standards. In the event that there are no Major Sources in one or more of the above rule categories for which RACT guidance has been provided, the United States Environmental Protection Agency (U.S. EPA) requires districts to negatively affirm such absence of Major Sources.

The District is required to prepare a complete RACT SIP update package, covering Major Sources, non-Major Sources, and Major non-Control Techniques Guidelines Sources. A "Major Source" of VOCs or NOx in Placer County is defined as an emission source having a potential to emit of 25 tons of the pollutant per year.

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The purpose of this proposed Board action is to formalize a "negative declaration" (term not to be confused with the same term used with the California Environmental Quality Act connotation), for the rule categories listed below. The negative declaration eliminates the need to adopt the otherwise required rules. The submittals for the above categories reaffirm the negative declarations previously submitted in October, 1997, and later approved by the U.S. EPA in Federal Register Notice FR 50766, September 23, 1998.

RACT is defined in the Code of Federal Regulations (CFR) 57 FR 55620, as "the lowest emission limitation that a unit is capable of meeting by the application of control technology that is reasonably available considering technological and economic feasibility". Section 182(f) of the FCAA requires districts which contain non-attainment areas for ozone in their boundaries, to implement applicable NOx RACT rules for Major Stationary Sources.

The U.S. EPA's interpretation of FCAA Section 110, <u>State Implementation Plans</u>, is that a negative declaration must go through the same public review requirements as any other State Implementation Plan (SIP) submittal because, while a negative declaration is not specifically required by the FCAA, it is replacing a required program element in the Sacramento Area Regional Ozone Attainment Plan. The negative declaration, therefore, would be subject to the same administrative procedures as any other SIP submittal.

Discussion:

The 2006 RACT SIP Update Analysis found that the Negative Declarations made in 1997 that there are no existing Major Stationary Sources to regulate in five (5) NOx RACT source categories may be reaffirmed.

The District Staff reviewed permit databases, SIC codes, business license applications, telephone listings, other source data and the emission inventory for its Federal Clean Air Plan, and has determined that there are no District Major Stationary NOx Sources or emitting facilities for the CTG categories listed in the Staff Report, Table C. The District does not anticipate these sources in the future. Also, no public comments were received from the Public Notices for this review. After Board approval, the Negative Declarations will be submitted for approval through CARB to U.S. EPA

This action will have no impact on emissions, since the District will not at this time adopt NOx RACT control measures for the five specified source categories subject to the Negative Declarations.

Fiscal Impact:

There is no direct fiscal impact from this action. The Negative Declarations mean that it will not be necessary for the District to adopt NOx RACT control measures in the identified five source categories and therefore this action avoids the expense of rule development, adoption, and implementation. In addition, because no rules will be adopted at this time, any non-

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Major NOx Sources that may later come to Placer County or be found to exist will not incur RACT rule compliance costs.

Public Outreach:

The Board Hearing to consider the adoption of above actions were noticed in the Auburn Journal on July 9, 2006, and in the Roseville Press-Tribune on July 8, 2006. The purpose of the Board Public Hearing is to consider public comments regarding these Negative Declarations. No other public meetings were held. No public comments were submitted.

Recommendation:

That the District Board, in a public hearing, adopt Resolution #06-12, thereby certifying that there are no Major Sources of VOC in the five (5) source categories specified within the Placer County Air Pollution Control District, reaffirming Negative Declarations findings previously made by the District Board and approved by U.S. EPA, and therefore that the requirements of Section 182(f) of the FCAA are not presently applicable to the District. The Resolutions direct the submittal of the Negative Declarations to U.S. EPA as revisions to the State Implementation Plan.

Attachment(s): 1) Resolution #06-12: The Declaration of "No Sources to Regulate for Nitrogen Oxides (NOx)" for Five Specific NOx Rule Categories in Placer County, Which Had Been Previously Approved by U.S. EPA, and the Submittal of the Declaration as a Requested Revision to the State Implementation Plan.

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ATTACHMENT #1

SUBJECT:

Resolution #06-12:

The Declaration of "No Sources to Regulate for Nitrogen Oxides (NOx)" for Five Specific NOx Rule Categories in Placer County, Which Had Been Previously Approved by U.S. EPA, and the Submittal of the Declaration as a Requested Revision to the State Implementation Plan.